



STATE OF WASHINGTON

## OFFICE OF FINANCIAL MANAGEMENT

*Insurance Building, PO Box 43113 • Olympia, Washington 98504-3113 • (360) 902-0555*

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### State population forecast shows migration increases

OLYMPIA – Expected increases in migration will add more than 100,000 people to the state’s population by 2010, the state’s chief demographer said today.

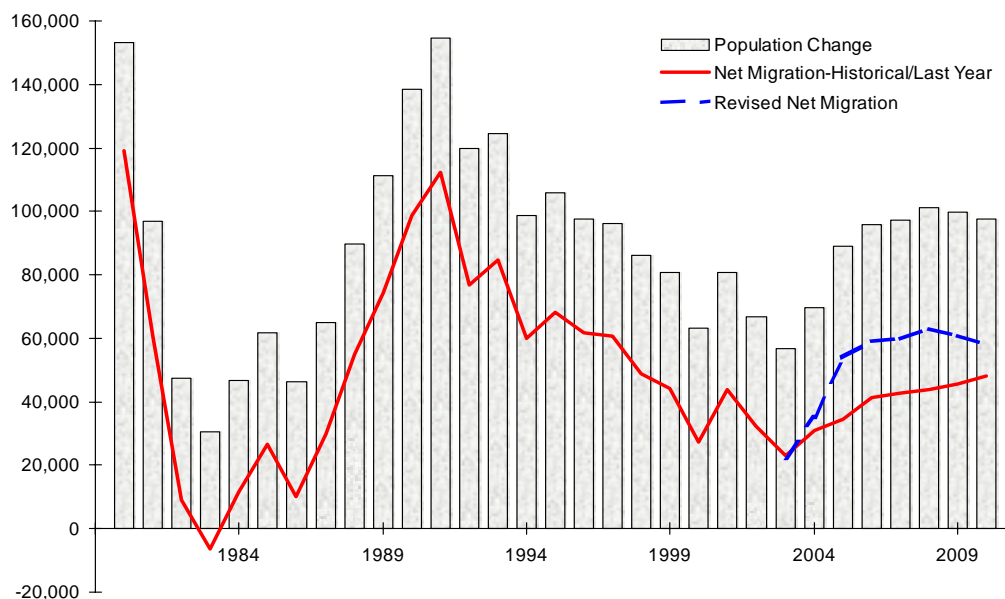
Washington’s population is now forecast to increase by over one-half million and reach nearly 6,750,000 by the end of the decade, Demographer Theresa Lowe said.

The Office of Financial Management updates the state population forecast each year to anticipate forthcoming changes in budget expenditures. Persons in certain age groups, such as school-age children, young male adults, or the elderly drive expenditure needs for schools, correctional facilities, nursing homes, and other programs.

Washington’s economic upturn that started with improved employment figures in June 2003 is now outpacing the economic recovery in nearby states and the nation as a whole. Since the attraction of any area is primarily about job opportunities, Washington’s annual population growth, which increased from 57,000 in 2003 to 70,000 in 2004, is now approaching nearly 90,000 for 2005—largely due to more people moving in from other states and abroad.

“This appears to be a legitimate rebound in state growth,” Lowe said. “Moreover, forecasts of traded sector employment figures for California and the nation as a whole, which are used to develop forecasts of migration to Washington, show that this trend should continue.” Figure 1 shows that annual net migration to Washington is now forecast at about 60,000 per year through 2010, considerably higher than in last year’s forecast.

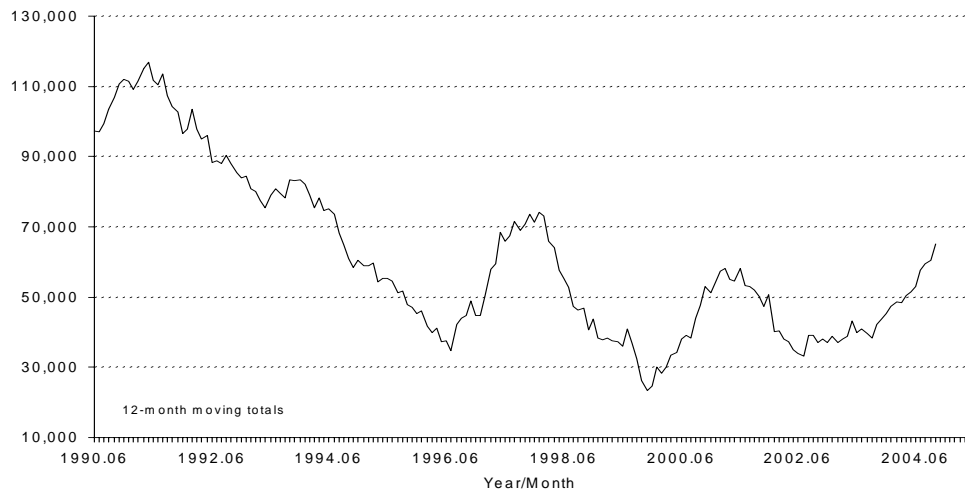
**Figure 1. Migration revised upward in 2004 state population forecast**



“Current employment forecasts for California and the US show Washington to be in a good position to continue drawing larger numbers of movers. What actually occurs over the long term depends on whether Washington can maintain its relative employment advantage. Forecasts, particularly economic forecasts, are often subject to change,” Lowe said. For this reason, after 2008, the high near-term migration levels of 60,000 for Washington are then lowered to a historically based average annual net migration of 48,100 per year through 2030.

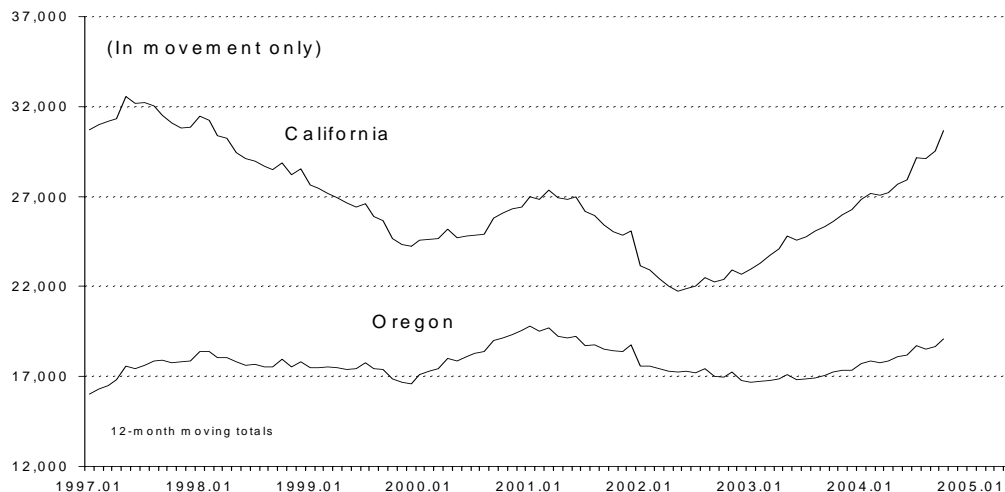
Figure 2, showing the interstate movement of licensed drivers, supports the current increase in net migration to Washington. This chart plots out-of-state licenses that are surrendered to obtain a Washington license—less Washington licenses surrendered in other states.

**Figure 2. Washington—Net drivers’ licenses surrendered**



Drivers’ license data also show that California contributes the largest share, about 40 percent, of the net movement to Washington from other states (Figure 3). Current numbers of licenses surrendered from California—a 12-month total of 30,000 licenses—compares to a peak of about 40,000 in the early 1990’s. The economy of such a large and populous neighbor as California has considerable effect on Washington’s growth.

**Figure 3. Drivers licenses surrendered show California and Oregon to be the leading contributors to elevated migration levels**



Since young adults and young families are the most mobile segments of the population,

changes in the level of net migration to Washington may have a considerable effect on state service demands. Increased migration levels now show 1,145,500 school-age youngsters by 2010—23,300 higher than in the prior forecast. Some of the impact on public K -12 education may be offset by children returning to private schools with improvements in the Puget Sound economy. The population groups affecting post-secondary education, corrections, and other service areas also show increases.

Detailed information on the November 2004 population forecast is on the Office of Financial Management web page at [www.ofm.wa.gov/pop/stfc/index.htm](http://www.ofm.wa.gov/pop/stfc/index.htm).

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Contact: Theresa Lowe, Office of Financial Management, 360-902-0588